

**Healthy Iowans Tobacco Trust
Appropriations Bill
Senate File 537**
*As Amended by S-3645
House Amendment*

Last Action:

House Floor

May 3, 2001

AN ACT relating to and making appropriations from the Tobacco Settlement Endowment Fund and the Healthy Iowans Tobacco Trust, establishing certain uses for the appropriations, and providing effective dates.

Executive Summary Only



**LEGISLATIVE FISCAL BUREAU
NOTES ON BILLS AND AMENDMENTS (NOBA)**

**EXECUTIVE SUMMARY
NOTES ON BILLS AND AMENDMENTS**

**SENATE FILE 537 AS AMENDED BY S-3645
HEALTHY IOWANS TOBACCO TRUST FUND APPROP**

**TOBACCO SETTLEMENT FUND
REVENUES AND EXPENDITURES
*HOUSE AMENDMENT***

BILL AS PASSED BY THE SENATE

**DEPARTMENT OF HUMAN
SERVICES APPROPRIATIONS**

- Iowa is estimated to receive approximately \$56.0 million for FY 2002 from the tobacco industry under the Tobacco Master Settlement Agreement.
- Increases the appropriation for the Substance Abuse Programs by the Department of Public Health by \$75,000.
- Eliminates the \$75,000 appropriation for provision of smoking cessation products.
- Parallels use of the appropriation for the Community Empowerment Fund to SF 535 (FY 2002 Education Appropriations Bill).
- Makes various technical corrections.
- Appropriates \$32.8 million to the Department of Human Services (DHS) to continue the FY 2001 reimbursement rate increases funded by the Tobacco Settlement Fund, and adjust the funding based upon estimated FY 2002 services and number of eligible individuals for those services. These include:
 - \$8.1 million for noninstitutional Medical Assistance providers. (Page 1, Line 8)
 - \$3.8 million for dentists. (Page 1, Line 20)
 - \$3.2 million for rehabilitative treatment and support providers. (Page 1, Line 26)
 - \$469,000 for adoption, independent living, shelter care, and home studies providers. (Page 1, Line 32)
 - \$3.0 million for hospitals. (Page 2, Line 3)
 - \$2.1 million for home health care service providers. (Page 2, Line 8)
 - \$250,000 for critical access hospital designation. (Page 2, Line 14)
 - \$2.0 million for home health care and rehabilitative day care service providers for special needs children. (Page 2, Line 20)
 - \$1.1 million for respite care service providers. (Page 2, Line 26)
 - \$546,000 for miscellaneous DHS service providers. (Page 2, Line 32)
 - \$200,000 for the Children's Health Insurance Program (CHIP). (Page 3, Line 3)

**EXECUTIVE SUMMARY
NOTES ON BILLS AND AMENDMENTS**

**SENATE FILE 537 AS AMENDED BY S-3645
HEALTHY IOWANS TOBACCO TRUST FUND APPROPS**

DEPARTMENT OF HUMAN
SERVICES APPROPRIATIONS
(CONTINUED)

- \$7.5 million to supplement the Medical Assistance (Medicaid) appropriation. (Page 3, Line 7)
- \$250,000 for a Breast and Cervical Cancer Treatment Program. (Page 3, Line 10)
- Appropriates \$147,000 to maintain the FY 2001 funds used from the \$2.0 million appropriation from the FY 2001 Tobacco Settlement Fund for local purchase of service provider salary increases. (Page 6, Line 8)

DEPARTMENT OF PUBLIC HEALTH
APPROPRIATIONS

- Appropriates \$23.8 million to the Department of Public Health for the following health initiatives:
 - \$9.3 million for tobacco prevention and cessation programs. (Page 3, Line 15)
 - \$11.8 million for substance abuse treatment. (Page 4, Line 3)
 - \$2.6 million for the Healthy Iowans 2010 Program. (Page 4, Line 24)
 - \$75,000 for smoking cessation products. (Page 5, Line 17)

DEPARTMENT OF CORRECTIONS
APPROPRIATIONS

- Appropriates \$610,000 to four community based corrections (CBCs) districts and allocates it as follows:
 - \$127,000 to District II. (Page 5, Line 28)
 - \$35,000 to District III. (Page 5, Line 32)
 - \$192,000 to District IV. (Page 6, Line 1)
 - \$256,000 to District V. (Page 6, Line 4)

COMMUNITY EMPOWERMENT
FUNDS

- Appropriates \$1.2 million from the FY 2001 appropriation to the Savings Account for Healthy Iowans for the School Ready Children Grants Account in the Iowa Empowerment Fund. The Savings Account was appropriated \$3.8 million from the FY 2001 Tobacco Settlement Fund appropriations. (Page 6, Line 32)

SUBSTANCE ABUSE TREATMENT
FACILITY

- Appropriates the \$2.0 million from the FY 2001 appropriation to the Savings Account for Healthy Iowans to the Department of Public Health for a substance abuse treatment facility for persons on probation. This is a FY 2002 appropriation from funds that were appropriated to the Savings Account in FY 2001. (Page 7, Line 12)
- Creates the Substance Abuse Treatment Facility for persons on probation within the Department of Public Health. (Page 9, Line 20 through Page 10, Line 23; Page 11, Line 22 through Page 12, Line 8)

DEPOSIT OF FUNDS INTO THE
HEALTHY IOWANS TOBACCO
TRUST

- Deposits funds remaining from the Savings Account for Healthy Iowans (\$647,000) and funds remaining from the FY 2001 local purchase of service provider salary increases (\$853,000) into the Healthy Iowans Tobacco Trust. (Page 7, Line 23 through Page 8, Line 1)

**EXECUTIVE SUMMARY
NOTES ON BILLS AND AMENDMENTS**

**SENATE FILE 537 AS AMENDED BY S-3645
HEALTHY IOWANS TOBACCO TRUST FUND APPROPS**

HEALTHY IOWANS TOBACCO
TRUST CREATION

- Renames the Tobacco Settlement Endowment Fund to the Healthy Iowans Tobacco Trust and provides the necessary transitional language. (Page 8, Line 2 through Page 8, Line 26; and Page 8, Line 31 through Page 9, Line 14)

- Eliminates the Savings Account for Healthy Iowans. (Page 9, Line 7)

BREAST AND CERVICAL CANCER
TREATMENT COVERAGE
EFFECTIVE DATE

- Provides certain breast and cervical cancer treatment as an optional coverage under the Medical Assistance Program. (Page 10, Line 24)
- Provides that the Section which transfers the remaining funds from the FY 2001 Healthy Iowans Savings Account to the Healthy Iowans Tobacco Trust takes effect upon enactment. (Page 12, Line 32)
- Provides that the Section which transfers the funds remaining from the FY 2001 appropriation from the Tobacco Settlement Fund to the local purchase of service provider salary increases to Healthy Iowans Tobacco Trust takes effect upon enactment. (Page 13, Line 3)

CONTINGENCY LANGUAGE

- Specifies that the changes relating to the elimination of the Tobacco Settlement Fund and the creation of the Healthy Iowans Tobacco Trust is contingent upon enactment of SF 532. (Page 13, Line 8)

Summary Data

Non General Fund

S.F. 537 Amended by S-3645	Actual FY 2000	Estimated Net FY 2001	Senate Action FY 2002	House Action FY 2002	House Action vs Senate Act	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)
Administration and Regulation	\$ 0	\$ 3,800,000	\$ 0	\$ 0	\$ 0	
Health and Human Rights	\$ 22,269	\$ 24,023,125	\$ 23,795,394	\$ 23,795,394	\$ 0	
Human Services	\$ 0	\$ 26,535,000	\$ 32,771,426	\$ 32,771,426	\$ 0	
Justice System	\$ 0	\$ 610,000	\$ 609,999	\$ 609,999	\$ 0	
Grand Total	<u>\$ 22,269</u>	<u>\$ 54,968,125</u>	<u>\$ 57,176,819</u>	<u>\$ 57,176,819</u>	<u>\$ 0</u>	
Operations	\$ 22,269	\$ 24,633,125	\$ 24,330,393	\$ 24,405,393	\$ 75,000	
Grants & Aid	\$ 0	\$ 30,335,000	\$ 32,846,426	\$ 32,771,426	\$ -75,000	
Grand Total	<u>\$ 22,269</u>	<u>\$ 54,968,125</u>	<u>\$ 57,176,819</u>	<u>\$ 57,176,819</u>	<u>\$ 0</u>	

Administration and Regulation

Non General Fund

S.F. 537 Amended by S-3645	Actual FY 2000 (1)	Estimated Net FY 2001 (2)	Senate Action FY 2002 (3)	House Action FY 2002 (4)	House Action vs Senate Act (5)	Page & Line Number (6)
<u>Treasurer of State</u>						
Healthy lowans - Tbco		\$ 3,800,000			\$ 0	
Grants & Aid	\$ 0	\$ 3,800,000	\$ 0	\$ 0	\$ 0	
Grand Total	\$ 0	\$ 3,800,000	\$ 0	\$ 0	\$ 0	

Health and Human Rights

Non General Fund

S.F. 537 Amended by S-3645	Actual FY 2000	Estimated Net FY 2001	Senate Action FY 2002	House Action FY 2002	House Action vs Senate Act	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)
<u>Health, Department of Public</u>						
Tobacco Use Prev./Control-Tbco	\$ 22,269	\$ 9,323,125	\$ 9,345,394	\$ 9,345,394	\$ 0	PG 3 LN 15
Substance Abuse-Tbco	0	11,900,000	11,825,000	11,900,000	75,000	PG 4 LN 3
Healthy Iowans 2010-Tbco	0	2,800,000	2,550,000	2,550,000	0	PG 4 LN 24
Smoking Cessation Products			75,000	0	-75,000	PG 5 LN 17
Total Health, Department of Public	\$ 22,269	\$ 24,023,125	\$ 23,795,394	\$ 23,795,394	\$ 0	
Total Health and Human Rights	\$ 22,269	\$ 24,023,125	\$ 23,795,394	\$ 23,795,394	\$ 0	
Operations	\$ 22,269	\$ 24,023,125	\$ 23,720,394	\$ 23,795,394	\$ 75,000	
Grants & Aid	\$ 0	\$ 0	\$ 75,000	\$ 0	\$ -75,000	
Grand Total	<u>\$ 22,269</u>	<u>\$ 24,023,125</u>	<u>\$ 23,795,394</u>	<u>\$ 23,795,394</u>	<u>\$ 0</u>	

Human Services

Non General Fund

S.F. 537 Amended by S-3645	Actual FY 2000	Estimated Net FY 2001	Senate Action FY 2002	House Action FY 2002	House Action vs Senate Act	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)
Human Services, Department of						
Medical Services						
Phys Et Al Provider Inc-Tbco	\$ 0	\$ 6,000,000	\$ 8,095,718	\$ 8,095,718	\$ 0	PG 1 LN 8
Dental Provider Inc-Tbco	0	3,600,000	3,814,973	3,814,973	0	PG 1 LN 20
Hospital Provider Inc-Tbco	0	2,300,000	3,035,278	3,035,278	0	PG 2 LN 3
Home Hlth Care Prov Inc-Tbco	0	2,400,000	2,108,279	2,108,279	0	PG 2 LN 8
Critical Access Hospitals-Tbco	0	250,000	250,000	250,000	0	PG 2 LN 14
Home Hlth & Hab. Day Care Exp.	0	4,400,000	1,975,496	1,975,496	0	PG 2 LN 20
Respite Care Expansion-Tbco	0	1,200,000	1,137,309	1,137,309	0	PG 2 LN 26
CHIP Exp. to 200% of FPL-Tbco	0	200,000	200,000	200,000	0	PG 3 LN 3
Cont. Eligibility Pilot-Tbco	0	35,000	0	0	0	
Breast/Cervical Cancer Treatme			250,000	250,000	0	PG 3 LN 10
Supplement Medicaid - Tbco			7,500,000	7,500,000	0	PG 3 LN 7
Total Medical Services	0	20,385,000	28,367,053	28,367,053	0	
Child and Family Services						
RTSS Provider Increase-Tbco	0	3,100,000	3,243,026	3,243,026	0	PG 1 LN 26
Adoption, Il, Sc, Hs Prov-Tbco	0	500,000	468,967	468,967	0	PG 1 LN 32
Provider Rate/Meth Chgs-Tbco	0	550,000	545,630	545,630	0	PG 2 LN 32
Total Child and Family Services	0	4,150,000	4,257,623	4,257,623	0	
MH/MR/DD/BI						
POS Provider Increase-Tbco	0	2,000,000	146,750	146,750	0	PG 6 LN 8
Total Human Services, Department of	\$ 0	\$ 26,535,000	\$ 32,771,426	\$ 32,771,426	\$ 0	
Total Human Services	\$ 0	\$ 26,535,000	\$ 32,771,426	\$ 32,771,426	\$ 0	
Grants & Aid	\$ 0	\$ 26,535,000	\$ 32,771,426	\$ 32,771,426	\$ 0	
Grand Total	\$ 0	\$ 26,535,000	\$ 32,771,426	\$ 32,771,426	\$ 0	

Justice System

Non General Fund

S.F. 537 Amended by S-3645	Actual FY 2000	Estimated Net FY 2001	Senate Action FY 2002	House Action FY 2002	House Action vs Senate Act	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)
<u>Corrections, Department of</u>						
CBC District II-Tbco		\$ 127,217	\$ 127,217	\$ 127,217	\$ 0	PG 5 LN 28
CBC District III-Tbco		35,359	35,359	35,359	0	PG 5 LN 32
CBC District IV-Tbco		191,731	191,731	191,731	0	PG 6 LN 1
CBC District V-Tbco		255,693	255,692	255,692	0	PG 6 LN 4
Total Corrections, Department of	\$ 0	\$ 610,000	\$ 609,999	\$ 609,999	\$ 0	
Total Justice System	\$ 0	\$ 610,000	\$ 609,999	\$ 609,999	\$ 0	
Operations	\$ 0	\$ 610,000	\$ 609,999	\$ 609,999	\$ 0	
Grand Total	\$ 0	\$ 610,000	\$ 609,999	\$ 609,999	\$ 0	

Summary Data

FTE

S.F. 537 Amended by S-3645	Actual FY 2000	Estimated Net FY 2001	Senate Action FY 2002	House Action FY 2002	House Action vs Senate Act	Page & Line Number
	(1)	(2)	(3)	(4)	(5)	(6)
Health and Human Rights	0.17	15.30	71.00	71.00	0.00	
Grand Total	0.17	15.30	71.00	71.00	0.00	
Operations	0.17	15.30	11.00	11.00	0.00	
Grants & Aid	0.00	0.00	60.00	60.00	0.00	
Grand Total	0.17	15.30	71.00	71.00	0.00	

Health and Human Rights

FTE

S.F. 537 Amended by S-3645	Actual FY 2000 (1)	Estimated Net FY 2001 (2)	Senate Action FY 2002 (3)	House Action FY 2002 (4)	House Action vs Senate Act (5)	Page & Line Number (6)
Health, Department of Public						
Tobacco Use Prev./Control-Tbco	0.17	10.55	7.00	7.00	0.00	PG 3 LN 15
Healthy Iowans 2010-Tbco	0.00	4.75	4.00	4.00	0.00	PG 4 LN 24
Substance Abuse Treatment Faci			60.00	60.00	0.00	PG 7 LN 12
Total Health, Department of Public	<u>0.17</u>	<u>15.30</u>	<u>71.00</u>	<u>71.00</u>	<u>0.00</u>	
Total Health and Human Rights	<u>0.17</u>	<u>15.30</u>	<u>71.00</u>	<u>71.00</u>	<u>0.00</u>	
Operations	0.17	15.30	11.00	11.00	0.00	
Grants & Aid	0.00	0.00	60.00	60.00	0.00	
Grand Total	<u>0.17</u>	<u>15.30</u>	<u>71.00</u>	<u>71.00</u>	<u>0.00</u>	